

ORIGINAL

NEW APPLICATION



0000154105

BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

**COMMISSIONERS**

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AZ CORP COMMISSION  
DOCKET CONTROL

DOCKETED BY	
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T-20787A-14-0367

IN THE MATTER OF THE APPLICATION OF GC)  
PIVOTAL, LLC FOR A CERTIFICATE OF )  
CONVENIENCE AND NECESSITY TO PROVIDE )  
FACILITIES-BASED AND RESOLD LOCAL )  
EXCHANGE AND INTEREXCHANGE )  
TELECOMMUNICATION SERVICES AND )  
FACILITIES-BASED PRIVATE LINE SERVICE )  
IN ARIZONA )

DOCKET NO.

**APPLICATION**

**(Expedited Treatment Requested)**

GC Pivotal, LLC d/b/a Global Capacity ("GC Pivotal" or "Applicant"), through undersigned-counsel, hereby requests authority to provide facilities-based and resold local exchange, facilities-based and resold interexchange and facilities-based private line competitive telecommunications in Arizona. GC Pivotal currently holds authority to provide resold private line service in Arizona pursuant to Decision No. 73645 (February 6, 2013). However, GC Pivotal has entered into an agreement to acquire certain assets from MegaPath Corporation, including MegaPath's jurisdictional customer base in Arizona. MegaPath currently serves its Arizona customers pursuant to Decision No. 61942 (September 17, 1999), which granted facilities-based and resold local exchange and interexchange authority to MegaPath. In order to assume the assets, including the interconnection agreements necessary to provide service, and to serve the transferred MegaPath customers, GC Pivotal now requires the expanded authority requested in this Application. In support of this Application, GC Pivotal has attached as Exhibit 1 the standard form application for a certificate of convenience and necessity to provide competitive intrastate telecommunications services.

MegaPath and GC Pivotal entered into a Membership Interest Purchase Agreement dated as of September 5, 2014 (the "Agreement") whereby GC Pivotal intends to obtain certain network assets and certain customers served by those assets from MegaPath (the "Transaction"). The assets to be transferred

1 consist of MegaPath's network, composed of equipment in the company's collocation spaces (e.g.,  
2 DSLAMs, routers, cable, and racks), applications used to provide service, equipment related to the  
3 company's points of presence and transport, wholesale and certain direct access customers and their  
4 respective contracts, and other associated assets. MegaPath also will assign its rights in interconnection  
5 agreements necessary to provide service to GC Pivotal.

6 The Transaction will result in the assignment of certain network assets and the customers served  
7 by those assets (i.e., broadband data customers) to a company with a history of providing high quality  
8 communications services. GC Pivotal's operations are overseen by a well-qualified management team  
9 with substantial telecommunications experience and technical expertise. The Transaction is structured to  
10 assure an orderly transition of customers from MegaPath to GC Pivotal. In accordance with the terms of  
11 their service contracts and the rules and procedures of the Commission and applicable state(s), affected  
12 customers will be properly notified of the Transaction and the change in their telecommunications  
13 services provider from MegaPath to GC Pivotal.<sup>1</sup> In addition, immediately following consummation of  
14 the Transaction, GC Pivotal will continue to provide service to customers with no immediate change in  
15 their rates or terms and conditions of service. The Transaction will therefore be virtually transparent and  
16 seamless to the affected customers in terms of the services they currently receive.

17 MegaPath and GC Pivotal anticipate and are working towards a closing of the Transaction on or  
18 before December 31, 2014, with the changes effective January 1, 2015. In order for GC Pivotal to be  
19 able to serve its new customers, it requests that the Commission grant it the requested additional authority  
20 no later than December 31, 2014.

21 Wherefore, GC Pivotal requests expedited approval of this Application.  
22  
23  
24  
25

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26  
27 <sup>1</sup> The Parties intend to notify customers of the assignment of their service and contracts to GC Pivotal  
as provided in their existing service contract, or at least 30 days prior to such transfer.

1 RESPECTFULLY SUBMITTED this 9<sup>th</sup> day of October 2014.

2 GC PIVOTAL, LLC

3 By 

4 Michael W. Patten  
5 Roshka DeWulf & Patten, PLC  
6 One Arizona Center  
7 400 East Van Buren Street, Suite 800  
8 Phoenix, Arizona 85004

9 Attorney for GC Pivotal, LLC

10 Original and 13 copies of the foregoing  
11 filed this 9<sup>th</sup> day of October, 2014, with:

12 Docket Control  
13 Arizona Corporation Commission  
14 1200 West Washington Street  
15 Phoenix, Arizona 85007

16 Copies of the foregoing hand-delivered/mailed  
17 this 9<sup>th</sup> day of October, 2014, to the following:

18 Lyn Farmer, Chief Administrative Law Judge  
19 Hearing Division  
20 Arizona Corporation Commission  
21 1200 West Washington Street  
22 Phoenix, Arizona 85007

23 Janice M. Alward, Chief Counsel  
24 Legal Division  
25 Arizona Corporation Commission  
26 1200 West Washington Street  
27 Phoenix, Arizona 85007

Steve Olea, Director  
Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

By 

## **Exhibit-1**

**ARIZONA CORPORATION COMMISSION**

**Application and Petition for Certificate of Convenience and Necessity to Provide  
Intrastate Telecommunications Services**

Mail original plus 13 copies of completed application to:

For Docket Control Only:  
(Please Stamp Here)

Docket Control Center  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007-2927

Please indicate if you have current applications pending  
in Arizona as an Interexchange reseller, AOS provider,  
or as the provider of other telecommunication services.

Type of Service: \_\_\_\_\_

Docket No.: \_\_\_\_\_ Date: \_\_\_\_\_ Date Docketed: \_\_\_\_\_

Type of Service: \_\_\_\_\_

Docket No.: \_\_\_\_\_ Date: \_\_\_\_\_ Date Docketed: \_\_\_\_\_

**A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION**

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and mark the appropriate box(s).

- ☒ Resold Long Distance Telecommunications Services (Answer Sections A, B).
- ☒ Resold Local Exchange Telecommunications Services (Answer Sections A, B, C).
- ☒ Facilities-Based Long Distance Telecommunications Services (Answer Sections A, B, D).
- ☒ Facilities-Based Local Exchange Telecommunications Services (Answer Sections A, B, C, D, E)
- ☐ Alternative Operator Services Telecommunications Services (Answer Sections A, B)
- ☒ Other **Facilities-Based Private Line** (Please attach complete description)

(A-2) The name, address, telephone number (including area code), facsimile number (including area code), e-mail address, and World Wide Web address (if one is available for consumer access) of the Applicant:

**GC Pivotal, LLC ("Global Capacity" or "Applicant")**  
**180 North LaSalle Street**  
**Suite 2430**  
**Chicago, IL 60601**  
**Tel: 312-673-2400**  
**Fax: 312-673-2422**

(A-3) The d/b/a ("Doing Business As") name if the Applicant is doing business under a name different from that listed in Item (A-2):

**Global Capacity**

(A-4) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Management Contact:

**Jeremy M. Kissel, General Counsel**  
**180 North LaSalle Street**  
**Suite 2430**  
**Chicago, Illinois 60601**  
**Tel: 312-673-2400**  
**Fax: 312-673-2422**  
**Email: jkissel@globalcapacity.com**

(A-5) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Attorney and/or Consultant:

**Michael W. Patten**  
**ROSKA DeWULF & PATTEN, PLC**  
**400 East Van Buren Street, Suite 800**  
**Phoenix, AZ 85004**  
**602-256-6100**  
**602-256-6800(fax)**  
**mpatten@rdp-law.com**

(A-6) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Complaint Contact Person:

**John Nannenhorn**  
**180 North LaSalle Street**  
**Suite 2430**  
**Chicago, Illinois 60601**  
**(312) 673-2400-7824 (Phone)**  
**(312) 673-2422 (Fax)**  
**Email: jnannenhorn@globalcapacity.com**

(A-7) What type of legal entity is the Applicant? Mark the appropriate box(s) and category.

- ☐ Sole proprietorship
- ☐ Partnership:    \_\_\_ Limited,    \_\_\_ General,    \_\_\_ Arizona,    \_\_\_ Foreign
- ☒ Limited Liability Company:    \_\_\_ Arizona,     X  Foreign
- ☐ Corporation:    \_\_\_ "S",    \_\_\_ "C",    \_\_\_ Non-profit
- ☐ Other, specify: \_\_\_\_\_

(A-8) Please include "Attachment A":

Attachment "A" must include the following information:

1. A copy of the Applicant's Certificate of Good Standing as a domestic or foreign corporation, LLC,

or other entity in Arizona.

2. A list of the names of all owners, partners, limited liability company managers (or if a member managed LLC, all members), or corporation officers and directors (specify).
3. Indicate percentages of ownership of each person listed in A-8.2.

Please see **Attachment A**.

(A-9) Include your Tariff as "Attachment B".

**The MegaPath customers that Global Capacity is acquiring from MegaPath currently receive service under individual contracts. Global Capacity will continue provide service to those customers under the existing contracts. Global Capacity's current ACC tariff includes an ICB contract provision at Page 24.**

Your Tariff must include the following information:

1. Proposed Rates and Charges for each service offered (reference by Tariff page number).  
**Global Capacity provides service under individual customer contracts. However, its existing ACC tariff does include specific rates and charges at pages 15-23 .**
2. Tariff Maximum Rate and Prices to be charged (reference by Tariff page number).  
**Global Capacity provides service under individual customer contracts. However, its existing ACC tariff does include specific rates and charges at pages 15-23. Its maximum and offered rates are the same.**
3. Terms and Conditions Applicable to provision of Service (reference by Tariff page number).  
**Global Capacity provides service under individual customer contracts. However, its existing ACC tariff does include terms and conditions at pages 4-12.**
4. Deposits, Advances, and/or Prepayments Applicable to provision of Service (reference by Tariff page number).  
**Global Capacity provides service under individual customer contracts. Global Capacity does not require deposits.**
5. The proposed fee that will be charged for returned checks (reference by Tariff page number).  
**Global Capacity provides service under individual customer contracts.**

(A-10) Indicate the geographic market to be served:



Statewide. (Applicant adopts statewide map of Arizona provided with this application).



Other. Describe and provide a detailed map depicting the area.

(A-11) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any formal or informal complaint proceedings before any state or federal regulatory commission, administrative agency, or law enforcement agency.

Describe in detail any such involvement. Please make sure you provide the following information:

1. States in which the Applicant has been or is involved in proceedings.
2. Detailed explanations of the Substance of the Complaints.
3. Commission Orders that resolved any and all Complaints.
4. Actions taken by the Applicant to remedy and/or prevent the Complaints from re-occurring.

In 2013, the regulatory staff of the Nevada Public Utilities Commission issued a petition for a show cause order against Global Capacity due to an incomplete annual report filing for calendar year 2012. See Nevada PUC Docket No. 13-08019. Global Capacity was ultimately fined \$50 for a late filing. See Nevada PUC Docket No. 13-10053, Procedural Order No. 3. The matter is closed, and applicant made regulatory compliance process improvements to minimize the potential of a recurrence.

Also in 2013, the Public Service Commission of West Virginia Commission Staff filed a Joint Staff Memorandum stating that Global Capacity failed to commence operations within one year after receiving its certificate of authority and that such authority should therefore be revoked. Global Capacity explained that it had taken longer to commence operations than originally planned. The Public Service Commission decided not to revoke Global Capacity's authority and the matter is closed. See West Virginia PUC Case No. 110259-T-CN.

(A-12) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any civil or criminal investigation, or had judgments entered in any civil matter, judgments levied by any administrative or regulatory agency, or been convicted of any criminal acts within the last ten (10) years.

Describe in detail any such judgments or convictions. Please make sure you provide the following information:

1. States involved in the judgments and/or convictions.
2. Reasons for the investigation and/or judgment.
3. Copy of the Court order, if applicable.

Neither Applicant nor any of its officers, directors, partners, or managers has been or are currently involved in any civil or criminal investigation, or had judgments entered in any civil matter, judgments levied by any administrative or regulatory agency, or been convicted of any criminal acts within the last ten (10) years.

(A-13) Indicate if the Applicant's customers will be able to access alternative toll service providers or resellers via 1+101XXXX access.

☐

Yes

☒

No, applicant intends to provide only non-voice services.

(A-14) Is Applicant willing to post a Performance Bond? Please check appropriate box(s).

☐

For Long Distance Resellers, a \$10,000 bond will be recommended for those resellers who collect advances, prepayments or deposits.

☒

Yes

☐

No

If "No", continue to question (A-15).

☐

For Local Exchange Resellers, a \$25,000 bond will be recommended.

☒

Yes

☐

No

If "No", continue to question (A-15).

☐

For Facilities-Based Providers of Long Distance, a \$100,000 bond will be recommended.

☒

Yes

☐

No

If "No", continue to question (A-15).

☐



For Facilities-Based Providers of Local Exchange, a \$100,000 bond will be recommended.

☒ Yes

☐ No

If any box in (A-14) is marked "No", continue to question (A-15).

**Global capacity understands that the Commission no longer requires the posting of a performance bond except in extraordinary circumstances (which Global Capacity does not believe are present here). However, to the extent the Commission believes that a bond is necessary, Global Capacity will post the bond.**

Note: Amounts are cumulative if the Applicant is applying for more than one type of service.

(A-15) If any box in (A-14) is marked "No", provide the following information. Clarify and explain the Applicant's deposit policy (reference by tariff page number). Provide a detailed explanation of why the Applicant's superior financial position limits any risk to Arizona consumers.

**Global Capacity does not require deposits for retail customers. Global Capacity may require advance payment of monthly charges associated with its services.**

(A-16) Submit copies of affidavits of publication that the Applicant has, as required, published legal notice of the Application in all counties where the Applicant is requesting authority to provide service.

Note: For Resellers, the Applicant must complete and submit an Affidavit of Publication Form as Attachment "C" before Staff prepares and issues its report. Refer to the Commission's website for Legal Notice Material (Newspaper Information, Sample Legal Notice and Affidavit of Publication). For Facilities-Based Service Providers, the Hearing Division will advise the Applicant of the date of the hearing and the publication of legal notice. Do not publish legal notice or file affidavits of publication until you are advised to do so by the Hearing Division.

**Global Capacity will publish the form of bond required by the Hearing Division in this docket and will submit copies of the affidavits of publication for its legal notice, as directed by the Commission after filing of this Application.**

(A-17) Indicate if the Applicant is a switchless reseller of the type of telecommunications services that the Applicant will or intends to resell in Arizona:

☒ Yes

☐ No

If "Yes", provide the name of the company or companies whose telecommunications services the Applicant resells.

**Global Capacity intends to resell the facilities and equipment of Incumbent Local Exchange Carriers ("ILECs") operating in Arizona.**

(A-18) List the States in which the Applicant has had an application approved or denied to offer telecommunications services similar to those that the Applicant will or intends to offer in Arizona:

**Global Capacity is extremely well qualified to provide telecommunications services in Arizona. Global Capacity currently holds authority or is registered to provide some form of telecommunications services in the following jurisdictions: Alabama, Arizona, Arkansas, California, Connecticut, Delaware, District of Columbia, Florida (interexchange on a deregulated basis), Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana,**

Louisiana, Maine, New Hampshire, Nevada, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Texas, Utah, Vermont, Virginia, West Virginia and Wisconsin.

**Global Capacity is in the process of filing applications for authority (or expanded authority) or registering to provide telecommunications services in Colorado, Florida, Georgia, Idaho, Nebraska, New Jersey, Tennessee, Washington, and Wyoming, and is planning to request expanded authority in several of the states listed above**

Note: If the Applicant is currently approved to provide telecommunications services that the Applicant intends to provide in Arizona in less than six states, excluding Arizona, list the Public Utility Commission ("PUC") of each state that granted the authorization. For each PUC listed provide the name of the contact person, their phone number, mailing address including zip code, and e-mail address.

(A-19) List the States in which the Applicant currently offers telecommunications services similar to those that the Applicant will or intends to offer in Arizona.

**Global Capacity is currently offering services similar to those it currently offers or intends to offer in Arizona (i.e. non-voice data services) in the states listed in A-18 above.**

Note: If the Applicant currently provides telecommunication services that the Applicant intends to provide in Arizona in six or more states, excluding Arizona, list the states. If the Applicant does not currently provide telecommunications services that the Applicant intends to provide in Arizona in five or less states, list the key personnel employed by the Applicant. Indicate each employee's name, title, position, description of their work experience, and years of service in the telecommunications services industry.

**Descriptions of the key personnel of Global Capacity are attached hereto as Attachment E. Global Capacity's highly-qualified staff will ensure that its operations will meet high standards for service quality and reliability.**

(A-20) List the names and addresses of any alternative providers of the service that are also affiliates of the telecommunications company, as defined in R14-2-801.

**Not Applicable. Applicant does not have affiliates who are alternative providers of the service, as defined in R14-2-801.**

(A-21) Check here if you wish to adopt as your petition a statement that the service has already been classified as competitive by Commission Decision:

- ☒ Decision # 64178 Resold Long Distance  
☒ Decision # 64178 Resold LEC  
☒ Decision # 64178 Facilities Based Long Distance  
☒ Decision # 64178 Facilities Based LEC

## B. FINANCIAL INFORMATION

(B-1) Indicate if the Applicant has financial statements for the two (2) most recent years.

☒

Yes

☐

No

If "No," explain why and give the date on which the Applicant began operations.

**Global Capacity is not a publicly traded company and will provide the financial statements to the Commission upon execution of a protective agreement. Global Capacity agrees that the total assets, shareholder equity and net income in those reports may be made public in the Staff Report for this docket.**

(B-2) Include "Attachment D".

Provide the Applicant's financial information for the two (2) most recent years.

1. A copy of the Applicant's balance sheet.
2. A copy of the Applicant's income statement.
3. A copy of the Applicant's audit report.
4. A copy of the Applicant's retained earnings balance.
5. A copy of all related notes to the financial statements and information.

Note: Make sure "most recent years" includes current calendar year or current year reporting period.

**Please refer to response to Question B-1 above.**

(B-3) Indicate if the Applicant will rely on the financial resources of its Parent Company, if applicable.

**Applicant does not intend to rely on the financial resources of its sole member.**

(B-4) The Applicant must provide the following information.

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per

unit.

**Applicant projects total revenues of approximately \$0 to \$10,000 for the first twelve months of providing jurisdictional telecommunications services to Arizona customers following certification.**

1. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.

**Applicant projects operating expenses of approximately \$0 to \$10,000 during the first twelve months of providing jurisdictional telecommunications services to Arizona customers following certification.**

2. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.

**At the end of the first twelve months of operation, Global Capacity's net book value of all Arizona assets that could be used in the provision of ACC-jurisdictional telecommunications service to Arizona customers will be \$5-7 million.**

3. If the projected value of all assets is zero, please specifically state this in your response.
4. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

**The current fair value of assets used to provide ACC-jurisdictional service could range from \$0 to \$5-7 million..**

#### **C. RESOLD AND/OR FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

(C-1) Indicate if the Applicant has a resale agreement in operation,

☐

Yes

☒

No

If "Yes", please reference the resale agreement by Commission Docket Number or Commission Decision Number.

**As part of the transaction with MegaPath, the MegaPath interconnection agreement with the ILEC will be transferred to Global Capacity, thereby enabling Global Capacity to continue to provide services to the transferred customers and potential new customers. Given this transfer, Global Capacity is seeking the same authority in Arizona as currently held by MegaPath to ensure that the transfer of the customers and ILEC interconnection arrangements will occur without issue.**

#### **D. FACILITIES-BASED LONG DISTANCE AND/OR FACILITIES BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

(D-1) Indicate if the Applicant is currently selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona. This item applies to an Applicant requesting a geographic expansion of their CC&N:

☐

Yes

☒

No

If "Yes," provide the following information:

1. The date or approximate date that the Applicant began selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona.
2. Identify the types of facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services that the Applicant sells in Arizona.

If "No," indicate the date when the Applicant will begin to sell facilities-based long distance telecommunications AND/OR facilities-based local exchange telecommunications services in Arizona.

**Global Capacity intends to provide the same jurisdictional services currently being provided by MegaPath in Arizona upon the close of the asset purchase transaction with MegaPath, which is anticipated to be on January 1, 2015.**

#### **E. FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

(E-1) Indicate whether the Applicant will abide by the quality of service standards that were approved by the Commission in Commission Decision Number 59421:

☒

Yes

☐

No

(E-2) Indicate whether the Applicant will provide all customers with 911 and E911 service, where available, and will coordinate with incumbent local exchange carriers ("ILECs") and emergency service providers to provide this service:

☐

Yes

☒

No, applicant provides non-voice services only.

(E-3) Indicate that the Applicant's switch is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A):

☒

Yes

☐

No

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county, and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services (A.A.C. Title 14, Chapter 2, Article 11) and that the company will abide by Arizona state law including the Arizona Corporation Commission Rules. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my

knowledge the information provided in this Application and Petition is true and correct.

\_\_\_\_\_  
(Signature of Authorized Representative)

October \_\_\_\_\_, 2014  
(Date)

Richard Garner  
\_\_\_\_\_  
(Print Name of Authorized Representative)

Secretary and Treasurer  
(Title)

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of October, 2014

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires \_\_\_\_\_

**ATTACHMENT A**

1) A copy of Global Capacity's formation documents, Certificate of Authority to Transact Business as a foreign corporation in Arizona and a Certificate of Good Standing are included herein.

2 & 3) The officers are:

F. Francis Najafi, President<sup>1</sup>

Richard Garner, Secretary and Treasurer

The sole member, Pivotal Global Capacity, LLC, is an Arizona entity.

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<sup>1</sup> Mr. Najafi is the Founder and CEO of Pivotal Group, a leading investment company with an equity portfolio that includes Global Capacity.

# STATE OF ARIZONA



## Office of the CORPORATION COMMISSION

### CERTIFICATE OF GOOD STANDING

*To all to whom these presents shall come, greeting:*

*I, Jodi A. Jerich, Executive Director of the Arizona Corporation Commission, do hereby certify that*

**\*\*\*GC PIVOTAL, LLC\*\*\***

*a foreign limited liability company organized under the laws of the jurisdiction of Delaware did obtain a Certificate of Registration in Arizona on the 11th day of February 2011.*

*I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said limited liability company has not had its Certificate of Registration revoked for failure to comply with the provisions of A.R.S. section 29-601 et seq., the Arizona Limited Liability Company Act; and that the said limited liability company has not filed a Certificate of Cancellation as of the date of this certificate.*

*This certificate relates only to the legal authority of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.*

**IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 24th Day of September, 2014, A. D.**



  
Jodi A. Jerich, Executive Director

By: \_\_\_\_\_ 1126711



**ATTACHMENT B**

**Telecommunication Services Tariff**

**Global Capacity will provide service to the transferred MegaPath customers pursuant to the existing customer contracts, which is also contemplated under Section 12 (Individual Case Basis (ICB) Arrangements) of its existing Arizona tariff.**

**ATTACHMENT C**

**Global Capacity will use the form of notice required by the Hearing Division**

**ATTACHMENT D**

**Financial Statements**

**Global Capacity will provide the financial statements upon execution of a protective agreement.**

## **ATTACHMENT E**

### **Key Personnel Management Biographies**

#### **F. Francis Najafi - Founder and CEO**

F. Francis Najafi is founder and CEO of Pivotal Group, a leading investment company focused on private equity and real estate.

He founded the privately held firm 30 years ago, investing in landmark properties.

Pivotal Group's real estate investments have included major hotel properties including the Century Plaza Hotel in Los Angeles, Class A commercial office properties such as 650 California Street in San Francisco, and community development projects, including Promontory in Park City.

Drawn by the unrealized potential of well-managed middle-market companies with unique assets, Mr. Najafi entered the private equity market in 2002, and acquired Network Solutions, the world's largest domain-name registry, in 2003. His acquisition philosophy is to initiate and support management-led efforts to build long-term value through the adoption of disruptive innovation, developing new products, expanding markets served and the continued optimization of its cost structure.

Pivotal Group's private equity portfolio includes Global Capacity, the industry's first telecom logistics company globally serving system integrators, carriers and enterprise clients.

Mr. Najafi completed his Bachelor of Science degree in engineering at Arizona State University (ASU), followed by two Masters Degrees from Thunderbird – The School of Global Management, and the University of Southern California (USC). At USC, he began his entrepreneurial activities while a Ph.D. candidate in International Political Economy.

Over the past quarter century while heading Pivotal Group, Mr. Najafi devoted significant time and resources to causes in the public interest. His commitment to community service spans the world. Mr. Najafi is a board member of EastWest Institute, a global think-and-do tank that devises innovative solutions to pressing security concerns; is a member of Urban Land Institute and a governor of the ULI Foundation, which generates funding for research and public service activities that enhance communities. Additionally, he is active in the World President's Organization, a global organization focused on corporate responsibility and personal service and Chief Executive's Organization (CEO), which represents 2,000 global leaders who represent leading businesses around the world.

In Arizona, Mr. Najafi is a foundation board member of the Translational Genomics Research Institute, which employs innovative advancements from the Human Genome Project.

Mr. Najafi's wide-ranging philanthropic interests include the Arizona Science Center, PARSA Community Foundation, Public Affairs Alliance of Iranian Americans (PAAIA), Science Foundation Arizona and Teach for America.

### **Jack Lodge - President**

Jack Lodge is the President of Global Capacity, responsible for all aspects of strategy and execution of the company. He has over 23 years of experience in information technology and telecommunications. Mr. Lodge served as Global Capacity's COO since 2008, and has been a key driver in the development of the company's industry-leading One Marketplace platform. Under his leadership, the number of customers and suppliers participating in One Marketplace has grown steadily, while the company has achieved significant improvements in gross margin and EBITDA performance.

Mr. Lodge joined Global Capacity in 2006 via the acquisition of CentrePath, Inc., a privately-held network management and engineering company where he served as General Manager, with responsibility for all aspects of CentrePath's managed services business. Prior to joining CentrePath's predecessor company, GiantLoop, Mr. Lodge held several leadership positions in the IT organization at Nortel Networks, where his responsibilities included network architecture and strategy. Lodge joined Nortel via the 1998 acquisition of Bay Networks, where he held a number of IT management positions. At Bay Networks, Mr. Lodge led the IT infrastructure integration following the 1994 merger of Wellfleet Communications and Synoptics Communications that created Bay Networks. Prior to Wellfleet / Bay Networks, Mr. Lodge owned and operated a regional network services and maintenance business, distributing and supporting technology from multiple manufacturers. He began his career with AT&T in 1989 in a sales role.

Mr. Lodge holds a B.A. from the College of the Holy Cross, and an M.B.A. from Northeastern University. He played varsity lacrosse at Holy Cross, and remains active as a youth lacrosse coach. Mr. Lodge currently resides in the Boston area with his family.

### **Richard Garner - Secretary and Treasurer**

Mr. Garner has been an integral part of Pivotal Group's management team for over ten years and is responsible for overseeing the accounting and finance requirements of Pivotal and its portfolio ventures.

As a Certified Public Accountant, he has more than twenty years of accounting, finance and general business experience, including ten years as a consultant, auditor and business advisor with the national CPA firms of Ernst & Young and Kenneth Leventhal.

He enjoys community service, including serving as an active youth leader with the Boy Scouts of America to help shape the lives of America's youth.

Mr. Garner received a B.S. in accounting from Northern Arizona University.

### **Ben Edmond - Chief Revenue Officer**

Mr. Edmond is Chief Revenue Officer at Global Capacity, with responsibility for all aspects of Global Capacity's revenue generation, including sales and marketing. Mr. Edmond has more than 15 years of experience in the telecommunications industry, encompassing broad expertise in the areas of sales, marketing and managerial experiences. Mr. Edmond joined Global Capacity in 2012. Prior to joining Global Capacity, Mr. Edmond was President of Sales and Marketing at FiberLight, where he led a national carrier and enterprise sales team in 15 metro markets and conducted daily operations in customer and account development and service as well as implementation of product development and all marketing activities.

Prior to joining FiberLight, Mr. Edmond owned Telecom Inventory, a consulting firm focusing on services for large enterprises requiring better access and use of telecommunications information. Mr. Edmond's telecom experience includes eight years with Xspedius Communications (formerly ACSI), where he held several leadership positions.

Mr. Edmond holds a M.S. in International Business from St. Louis University and a B.S. in International Business & Finance from Northeastern University.

#### **Phil Doyle - Chief Information Officer**

Phil Doyle is Chief Information Officer of Global Capacity, responsible for the development and management of all proprietary Global Capacity systems and data, including One Marketplace. Mr. Doyle has over 15 years of experience in systems and data resource management, successfully leading development teams and facilitating innovative software solutions for the telecommunications industry. A co-founder of Magenta netLogic, he conceived and developed the core systems that are the foundation of One Marketplace.

Prior to co-founding Magenta netLogic, Mr. Doyle held several positions, including Managing Director, at LANalysis and netFusion Limited. He began his career with ICI in a network and systems engineering role.

Mr. Doyle is an engineering graduate of Manchester Metropolitan University in the UK. He resides in Manchester with his wife and two children, where he enjoys cycling, surfing and walking.

#### **Craig Magerkurth - Chief Knowledge Officer**

Craig Magerkurth is Chief Knowledge Officer of Global Capacity, responsible for all systems and data that power the business. He brings over 18 years of experience in developing, building and managing complex, technology-based solutions for multiple industries. Most recently, he served as Vice President of Technology Programs at the Rise Group, where he had oversight of network and video surveillance programs such as Operation Virtual Shield, a Homeland Defense initiative in Chicago.

Previously, Mr. Magerkurth served as Chief Information Officer at Universal Access, where he managed the initial build-out of the Universal Transport Exchanges (UTX), and was instrumental in the development and deployment of the Universal Information Exchange (UIX) and Universal Solutions Exchange (USX). Through merger, these solutions ultimately became key components of

what today is Global Capacity's One Marketplace. Mr. Magerkurth has previously served in executive roles for American Traffic Solutions and Mobility Technologies, in addition to serving as Chief Information Officer for 20-20 Technologies. He began his career in the United States Army Corp of Engineers.

Mr. Magerkurth is a graduate of the United States Military Academy at West Point, where he served as President of his class. He holds a Masters of Science in Engineering Management from the University of Missouri at Rolla. Mr. Magerkurth currently resides in the Austin, TX area with his family.

### **John Nannenhorn - Senior Vice President of Finance**

As Senior Vice President of Finance for Global Capacity, John Nannenhorn is responsible for directing all aspects of Global Capacity's Finance, Accounting, Internal Control, Treasury, Human Resources, Legal and Administrative affairs. He brings over 20 years of comprehensive, in-depth, multi-industry experience.

Most recently, Mr. Nannenhorn served as Vice President/Controller at AirCell, where he played an integral role in building the company's Finance Department from the ground-up. He was instrumental in defining and deploying core accounting processes as well as hiring, developing and mentoring a top-performing financial team. Previously, Mr. Nannenhorn served as Executive Director of Finance at ConferencePlus and held several executive roles within prominent corporations including LANSA, Baan, SAP, Memorex Telex and Ryobi. As Chief Financial Officer at LANSA, he was instrumental in implementing new accounting and reporting systems as well as crafting and deploying mission-critical pricing and business model policies. Mr. Nannenhorn began his career as a Senior Accountant with Friedman, Eisenstein, Raemer & Schwartz, LLP.

Mr. Nannenhorn holds a Masters of Business Administration in Finance and Bachelor of Science in Accountancy from Northern Illinois University's College of Business in DeKalb, Illinois. He currently resides in the greater Chicago area.

### **Jeremy Kissel - General Counsel**

Jeremy Kissel is General Counsel at Global Capacity, responsible for all legal and compliance functions of the company. Prior to joining Global Capacity in 2012, Mr. Kissel worked for a boutique communications law firm in Washington, D.C. and Chicago, assisting companies with regulatory compliance, commercial transactions, and representing clients before federal government agencies and the United States Congress. While serving as both an Attorney-Advisor in the Policy Division of the Federal Communications Commission's Media Bureau and Acting Legal Advisor to the Chief of the Media Bureau, Mr. Kissel was involved in all aspects of regulatory proceedings at the agency.

Prior to joining the Federal Communications Commission, Mr. Kissel worked in a United States Senate Leadership Office in Washington, D.C. From 2003 to 2006, Mr. Kissel was a litigator in Miami, Florida, where he concentrated his practice on insurance defense, insurance coverage, and bad faith matters.

Mr. Kissel holds a Bachelor of Science (B.S.) from Florida State University, a Juris Doctor (J.D.) from Nova Southeastern University, Shepard Broad Law Center, and a Master of Laws (LL.M) from American University's Washington College of Law. Mr. Kissel resides in Chicago with his wife.